

Registered number: 4119367

THE CAPITAL PUB COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the 52 weeks ended 3 May 2015



THE CAPITAL PUB COMPANY LIMITED

DIRECTORS' REPORT

For the 52 weeks ended 3 May 2015

The directors present their report and the financial statements for the 52 weeks ended 3 May 2015.

Principal activity

The company's principal activity is the provision of financing, via inter company loans, to fellow group companies.

The company's performance in the period has met directors' expectations and no significant change to the operations of the business is expected in future periods. As a 100% owned subsidiary of the Greene King plc group, the principal risks faced by the company are consistent with those disclosed within the Greene King plc financial statements for the 52 weeks ended 3 May 2015.

Directors

The directors who served during the 52 weeks were:

R Anand
K Davis (appointed 26 March 2015)
M Fearn (resigned 29 September 2014)
D Brown (appointed 26 September 2014, resigned 26 March 2015)

None of the directors held any interest in the share capital of the company during the period.

Qualifying third party indemnity provisions

The company has indemnified the directors of the company in respect of proceedings brought by third parties. Such qualifying third party indemnity provision remains in place at the date of this report.

Going concern

At the balance sheet date the company had net current liabilities of £17,704,000 and net assets of £49,001,000. This includes amounts due to Greene King plc and other group undertakings amounting to £34,459,000. The directors have prepared cash flow forecasts for the foreseeable future, being at least 12 months from the date of approval of these financial statements, which indicate that the company requires financial support from its ultimate parent undertaking, Greene King plc, to enable it to meet its liabilities as they fall due. Greene King plc has confirmed that it will provide the necessary financial support for the foreseeable future to enable the company to meet its liabilities as they fall due. The directors of the company have made appropriate enquiries of the directors of Greene King plc to confirm that they are satisfied that the financial support will be available and accordingly continue to prepare the financial statements on a going concern basis.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

THE CAPITAL PUB COMPANY LIMITED

DIRECTORS' REPORT

For the 52 weeks ended 3 May 2015

Auditor

The auditor, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 11 January 2016 and signed on its behalf.



Mrs L A Keswick
Secretary

THE CAPITAL PUB COMPANY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

For the 52 weeks ended 3 May 2015

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CAPITAL PUB COMPANY LIMITED

We have audited the financial statements of The Capital Pub Company Limited for the 52 weeks ended 3 May 2015, which comprise the profit and loss account, the balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 3 May 2015 and of its loss for the 52 weeks then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the 52 week period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CAPITAL PUB COMPANY LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.



Bob Forsyth (senior statutory auditor)
for and on behalf of Ernst & Young LLP
Statutory Auditor
Cambridge, UK

15 January 2016

THE CAPITAL PUB COMPANY LIMITED

PROFIT AND LOSS ACCOUNTFor the 52 weeks ended 3 May 2015

		52 weeks ended 3 May 2015 £000	53 weeks ended 4 May 2014 £000
	Note		
Income from fixed asset investments		-	7,574
Amounts written off investments		-	(6,243)
Interest receivable and similar income	3	275	22
Interest payable and similar charges	4	(564)	(503)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(289)	850
Tax on (loss)/profit on ordinary activities	5	-	-
		<hr/>	<hr/>
(Loss)/profit for the financial period	10	(289)	850
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 8 to 12 form part of these financial statements.

THE CAPITAL PUB COMPANY LIMITED
Registered number: 4119367

BALANCE SHEET

As at 3 May 2015

	Note	£000	3 May 2015 £000	£000	4 May 2014 £000
Fixed assets					
Investments	6		66,705		66,705
Current assets					
Debtors	7	16,680		16,480	
Creditors: amounts falling due within one year	8	(34,384)		(33,895)	
Net current liabilities			(17,704)		(17,415)
Total assets less current liabilities being net assets			<u>49,001</u>		<u>49,290</u>
Capital and reserves					
Called up share capital	9		15,371		15,371
Share premium account	10		16,750		16,750
Profit and loss account	10		16,880		17,169
Shareholders' funds	11		<u>49,001</u>		<u>49,290</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 January 2016.

K Davis
Director



The notes on pages 8 to 12 form part of these financial statements.

THE CAPITAL PUB COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 3 May 2015

I. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with all applicable law and UK accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Going concern

At the balance sheet date the company had net current liabilities of £17,704,000 and net assets of £49,001,000. This includes amounts due to Greene King plc and other group undertakings amounting to £34,459,000. The directors have prepared cash flow forecasts for the foreseeable future, being at least 12 months from the date of approval of these financial statements, which indicate that the company requires financial support from its ultimate parent undertaking, Greene King plc, to enable it to meet its liabilities as they fall due. Greene King plc has confirmed that it will provide the necessary financial support for the foreseeable future to enable the company to meet its liabilities as they fall due. The directors of the company have made appropriate enquiries of the directors of Greene King plc to confirm that they are satisfied that the financial support will be available and accordingly continue to prepare the financial statements on a going concern basis.

Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

Investments

Investments held as fixed assets are shown at cost less provision for impairment.

Inter-company balances

Amounts owed by or to group undertakings are classified as short term assets or liabilities unless there is a formal loan arrangement in place that specifies repayment over a period longer than one year at the balance sheet date.

Interest

Interest receivable or payable under the company's various investments and financial instruments is accrued so as to impute a constant periodic rate of return in the profit and loss account.

THE CAPITAL PUB COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 3 May 2015

2. OPERATING PROFIT

The company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL) from the company.

The directors who held office during the period were also directors of fellow group undertakings. Total emoluments, including any company pension contributions, received by these directors totalled £2,128,000 (2014 - £1,921,000) paid by the ultimate parent company or other group companies. The directors do not believe that it is practicable to apportion this amount between qualifying services as directors to the company and to fellow group undertakings. The number of directors who received or exercised share options during the period was 3 (2014 - 2).

Auditor's remuneration for both audit and non-audit services has been borne by other group undertakings. The audit fee for the Greene King plc group for the 52 weeks ended 3 May 2015 was £333,000 (2014 - £336,000), of which an audit fee of £1,000 (2014 - £1,000) is allocated to this subsidiary.

3. INTEREST RECEIVABLE

	52 weeks ended 3 May 2015 £000	53 weeks ended 4 May 2014 £000
Interest receivable from group undertakings	275	22

4. INTEREST PAYABLE

	52 weeks ended 3 May 2015 £000	53 weeks ended 4 May 2014 £000
Interest payable to group undertaking	564	503

5. TAXATION

	52 weeks ended 3 May 2015 £000	53 weeks ended 4 May 2014 £000
UK corporation tax charge on (loss)/profit for the period	-	-

THE CAPITAL PUB COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 3 May 2015

5. TAXATION (continued)

Factors affecting tax credit for the period

The tax assessed for the period is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 20.9% (2014 - 22.8%). The differences are explained below:

	52 weeks ended 3 May 2015 £000	53 weeks ended 4 May 2014 £000
(Loss)/profit on ordinary activities before tax	(289)	850
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.9% (2014 - 22.8%)	(60)	194
Effects of:		
Non-tax deductible impairment charge	-	1,423
Non-taxable income - dividend income	-	(1,726)
Group relief given for nil consideration	60	109
Current tax credit for the period (see above)	-	-

Factors that may affect future tax charges

The Finance Act 2013 reduced the rate of corporation tax from 21% to 20% from 1 April 2015.

In addition to the reduction in corporation tax during the period it is proposed to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. These further reductions had not been substantively enacted at the balance sheet date and consequently are not included in these financial statements.

The above changes to the rate of corporation tax may impact the amount of future cash tax payments to be made by the company.

THE CAPITAL PUB COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 3 May 2015

6. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000	Trade Investments £000	Total £000
Cost or valuation			
At 5 May 2014 and 3 May 2015	66,534	171	66,705
Net book value			
At 3 May 2015	66,534	171	66,705
At 4 May 2014	66,534	171	66,705

Subsidiary undertakings

The following were non-trading subsidiary undertakings of the company, all subsidiaries were incorporated in England & Wales:

Name	Class of shares	Holding
The Capital Pub Company Trading Limited	Preferred ordinary shares	100 %
The Capital Pub Company Trading Limited	Sub-ordinary shares	100 %

7. DEBTORS

	3 May 2015 £000	4 May 2014 £000
Amounts owed by group undertakings	16,680	16,480

8. CREDITORS:

Amounts falling due within one year

	3 May 2015 £000	4 May 2014 £000
Amounts owed to group undertakings	34,384	33,820
Other creditors	-	75
	34,384	33,895

THE CAPITAL PUB COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 3 May 2015

9. SHARE CAPITAL

	3 May 2015 £000	4 May 2014 £000
Allotted, called up and fully paid		
30,741,916 Ordinary shares of £0.50 each	<u>15,371</u>	<u>15,371</u>

10. RESERVES

	Share premium account £000	Profit and loss account £000
At 5 May 2014	16,750	17,169
Loss for the period	-	(289)
At 3 May 2015	<u>16,750</u>	<u>16,880</u>

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	3 May 2015 £000	4 May 2014 £000
Opening shareholders' funds	49,290	48,440
(Loss)/profit for the period	(289)	850
Closing shareholders' funds	<u>49,001</u>	<u>49,290</u>

12. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption permitted by FRS 8 from the requirement to disclose transactions with the ultimate parent company, Greene King plc, or with any fellow subsidiaries within the group.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

At 3 May 2015, the directors consider the immediate parent undertaking and controlling party of The Capital Pub Company Limited to be Greene King plc, a company incorporated in England and Wales.

The ultimate parent company and controlling party is Greene King plc, a company registered in England and Wales. This is also the undertaking of the smallest and largest group which includes the results of the company and for which group accounts are prepared. Copies of its group accounts are available from Westgate Brewery, Bury St Edmunds, Suffolk, IP33 1QT.